

# soviet news

GORBACHEV'S  
PEACE ASSAULT

OUTLOOK FOR  
USSR-ASEAN RELATIONS

SIBERIA ON THE MOVE

BULLETIN

1

COSMONAUT  
LEONID KIZIM  
WALKING IN  
OUTER SPACE  
DURING THE  
LONGEST EVER  
PILOTED SPACE  
FLIGHT ON  
BOARD THE  
SALUTE 7  
STATION.







*(Left) The crew of a Soviet-Syrian space flight on a visit at the Yuri Gagarin Cosmonaut Training Centre in the Star Town on the eve of the flight, December 1986.*

*(Top right) The crew of the Soyuz TM-2 spaceship on Baikonur Cosmodrome, February 1987: Commander, twice Hero of the Soviet Union, Pilot-Cosmonaut of the USSR Yuri Romanenko, and Flight Engineer Aleksandre Laveykin.*

*(Bottom, right) Preparing for a Joint Soviet-Syrian space flight at the Yuri Gagarin Cosmonaut Training Centre, January 1987. The backup crew in the Centre: Lieutenant-Colonel A. Solovyov (left), Pilot Cosmonaut of the USSR, Hero of the Soviet Union Viktor Savinykh (centre), and Lieutenant-Colonel of the Air Force of the Syrian Arab Republic Munir Habib.*



# OUTLOOK FOR USSR-ASEAN RELATIONS

By M. Kapitsa

The year 1986 saw a lot of important events to be remembered for a long time to come. The experience we gained in 1986 provides the basis for our further efforts and must be learned from.

What determined the thrust of Soviet foreign policy in 1986, proclaimed International Year of Peace by the United Nations, was the January 15 statement by Mikhail Gorbachev where he set out a plan for ridding the world of nuclear weapons by the year 2000. "We see our programme as a contribution to a search, together with all the Asian countries, for an overall comprehensive approach to establishing a system of secure and lasting peace on this continent," he said in the statement.

The strategy for eliminating nuclear weapons, for achieving deep cuts in troops and conventional arms, and for creating an all-embracing system of international security was first developed by the 27th Congress of the Soviet Communist Party.

On April 23, 1986, the Soviet Government issued a statement on the situation in the

Asia-Pacific region, proposing a wide-ranging exchange of views with all countries of this part of the world on promoting a stable trade, economic, technological, scientific and cultural cooperation to mutual benefit.

Speaking in Vladivostok on July 28, Mikhail Gorbachev outlined the Soviet policy in Asia and the Pacific for years ahead. He said that the USSR would work for scaling down military confrontation, for reducing the risk of nuclear war, and for limiting naval forces, and would promote settlement of regional conflicts and cooperation on an equal footing and regardless of affiliation to different alliances. Mikhail Gorbachev favoured the establishment of nuclear-weapons-free zones in the South Pacific, Southeast Asia and the Korean Peninsula.

The effective results of the Mikhail Gorbachev visit to India bear out the constructive nature of the Soviet policy. The Soviet-Indian talks and the documents signed, above all the Delhi Declaration on the Principles for a Nuclear-Weapons-Free and

Non-Violent World, serve to show that, given good will, countries with different political systems can effectively cooperate.

The Soviet leader put forward a large-scale programme for security and wide-ranging, equal and mutually beneficial cooperation in the Asia-Pacific region, a programme which opens up good prospects for USSR-ASEAN relations. As evidence of its responsible attitude, immediately after the Gorbachev speech in Vladivostok the Soviet leadership issued a message to the ASEAN nations and sent its representatives to elucidate the new Soviet initiatives.

The Soviet Union welcomed the statement by Indonesia's Foreign Minister Mochtar Kusumaatmadja calling for a Helsinki-type forum in Asia, and applauded the results of the round-table conference "The Philippines' Answer to Gorbachev Initiatives," chaired by Vice-President Salvador Laurel.

The Soviet Union's policy toward the ASEAN nations is in line with its general strategy designed to promote the relations of good



*Professor Mikhail Kapitsa, Director of the Institute of Oriental Studies, the Academy of Sciences of the USSR.*

neighbourliness and cooperation with all world nations in keeping with the principles of equality, mutual benefit and non-interference in internal affairs.

The Soviet Union is acting in the belief that the independent ASEAN nations want to take a fitting place in the international community and to guarantee a life with dignity to their people and raise their well-being. The USSR recognises ASEAN as a group working to promote economic, social and cultural development, and stands ready to cooperate with it.

Relations between the USSR and ASEAN have not been without ups and downs. More than 40 years ago the Soviet Union welcomed Indonesia's independence and supported the fledgling republic in its liberation struggles. Diplomatic relations between the Soviet Union and the Philippines were established



only ten years ago. Yet within this relatively short period they have demonstrated how nations — slowly but surely — are drawing closer together in the process of historical development.

Here is one little known fact. In 1969 Senator Benigno Aquino, one of the more forward-thinking politicians in the Philippines, came to the Soviet Union. A year later he wrote a book about his trip, where he discovered a world totally unlike that described by American propaganda. That was the first book in the Philippines to tell an unbiased and true story about the Soviet Union. Benigno Aquino was assassinated but his efforts were not in vain. His ideas are now helping break down artificial barriers and end estrangement between the Philippines and the USSR. With Corazon Aquino in office, this process has been much more in evidence.

The Soviet Union believes that now USSR-ASEAN relations, both bilateral and multilateral, can be given a new powerful impetus.

They can be furthered by a variety of means, including political dialogue, conducted in recent years at various levels and allowing our peoples and nations to understand each other better.

There are regular con-

sultations at the foreign ministry level. Recently, the Soviet Union was visited by Indonesia's Foreign Minister Mochtar Kusumaatmadja, and Deputy Foreign Ministers A. Panoopong of Thailand, A. Kadir of Malaysia, P. Chan of Singapore and L. Shahani of the Philippines. During the Shahani visit a USSR-Philippines protocol on political consultations was initialled.

The Soviet Deputy Foreign Minister and senior ministry officials have made several trips to ASEAN countries.

Importantly, contacts between the parliaments of our countries have become regular. In the past few years alone, the USSR Supreme Soviet and Thailand's National Assembly have exchanged delegations, and a delegation from People's Consultative Assembly of Indonesia has been to the Soviet Union. In 1986 a group of USSR Supreme Soviet deputies visited Thailand, Singapore, Malaysia and Indonesia.

The leaders of the Soviet Union and ASEAN countries often exchange messages.

The Soviet Union has long been a major trading partner of the ASEAN nations. There are mixed shipping, fishing and fish-processing companies operating in Singapore, Thailand, and the Philippines. Yet trade is still lop-sided and unbalanced, some-

thing which hampers its growth.

Soviet and ASEAN trade officials, particularly those from Indonesia, Thailand, Malaysia and the Philippines, agree that trade and economic links between our countries are inadequate, and that there are ample opportunities for their growth. Obviously, if trade is to expand, there must be common efforts to rectify the situation and redress imbalances. The Soviet government delegation led by the Deputy Chairman of the USSR Council of Ministers which went to Indonesia and Malaysia late in 1985 emphasized the need to identify new areas and to apply progressive forms of economic cooperation.

Headway has been made in cultural, scientific, sporting and tourist exchanges. People must come in touch with the emotional, intellectual and cultural values of one another if mutual understanding and trust are to improve. Of great importance were recent visits to the Soviet Union by Indonesian, Malaysian, Thai and Filipino journalists, who got a good insight into the life of the Soviet people. There are regular contacts between Soviet scientists and political scholars from Indonesia and Malaysia, who meet to discuss Southeast Asian affairs alternately in res-

pective capitals.

The Soviet Union considers satisfactory the present state of relations with ASEAN. Yet it wants them to grow and rise to a qualitatively new level. There is every reason to believe that this is a realistic goal. This year will see a number of important events, including an exchange of visits by Soviet and ASEAN government leaders.

Now what are the Soviet Union's short-term objectives in relations with ASEAN?

The arms buildup and escalation of military activity in Southeast Asia and the Asia-Pacific region must be stopped, as it must in the rest of the world. There is a need to move away from the belief that this is wholly and entirely the responsibility of the great powers. The nations of Southeast Asia have the leading role to play in assuring security and easing tension in the region. For its part, the Soviet Union is ready for immediate talks, whether bilateral or multilateral, on limiting naval activities in areas of the Pacific and the Indian Ocean adjacent to Southeast Asia, and on confidence-building measures and the safety of shipping, among other issues.

The Soviet Union would welcome a more intensive dialogue between the countries of Indochina and ASEAN



to defuse tensions in Southeast Asia and settle the Kampuchean issue. As a member of the UN Security Council, the USSR is prepared to take part in a relevant international conference and guarantee possible accords between the countries of Indochina and ASEAN.

Considering the stated desire of both groups of nations, there should be practical steps to turn Southeast Asia into a zone of peace, including the convocation of an international conference to draw up an agreement on the issue.

The USSR supports efforts by ASEAN nations to set up a zone free from nuclear weapons in Southeast Asia, and is ready to help so that efforts to that end are accompanied by movement from confrontation to cooperation between the two groups of nations.

The Soviet Union has started a vast development effort in Siberia and the Far East, and so is well aware of the breath-taking prospects that the 21st century opens before all countries of Asia and the Pacific. If these prospects are to become a reality, the groundwork must be laid for a regional cooperation free from discrimination and antagonisms. The Soviet Union is ready for such cooperation. ■



*Mikhail Gorbachev*

## *Policy of Peace*

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**"The only reasonable way out of the situation is for the opposing forces to reach an agreement on the immediate termination of the arms race, first of all the nuclear arms race, on earth and the prevention of an arms race in space."**

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## GORBACHEV'S PEACE ASSAULT

**T**he chronicle of Soviet peace initiatives, including those made together with Warsaw Treaty countries, March 11, 1985. Mikhail Gorbachev's first address as CPSU Central Committee General Secretary at the extraordinary plenary meeting of the CPSU Central Committee. He said: "The only reasonable way out of the situation is for the opposing forces to reach an agreement on the immediate termination of the arms race, first of all the nuclear arms race, on earth and the prevention of an arms race in space."

April 8: The Soviet Union announced a unilateral moratorium on the deployment of medium-range missiles, suspended other counter-measures in Europe and proposed the following steps pending the Soviet-US talks in Geneva:

- stop the deployment of US nuclear medium-range missiles in Europe;
- introduce a bilate-

ral moratorium on the creation and deployment of space strike weapons;

- freeze strategic offensive weapons.

April 26: The Soviet Union proposed that:

- space should not become another source of military threat and that anti-satellite systems should be scrapped;
- the Warsaw Treaty Organization and NATO be dismantled simultaneously, with their military organizations scrapped at the first stage.

July 30: The Soviet Union announced a unilateral moratorium on all nuclear explosions to begin on August 6, called on the United States to follow suit and suggested:

- to resume the talks on a complete nuclear-test ban, which were wrecked by the US;
- introduce a complete ban on chemical weapons and eliminate its stocks.

October 2-5: Mikhail Gorbachev visited France where he tabled new

peace initiatives:

- to ban space strike weapons and cut by 50 per cent nuclear arms capable of reaching the territory of the Soviet Union and the United States;

- negotiate a treaty on the medium-range missiles in Europe outside the framework of space and strategic nuclear weapons.

He also announced that SS-20 missiles deployed additionally to counter the US medium-range missiles in Europe had been removed from operational duty and their launchers dismantled. The number of Soviet missiles in Europe had thus been cut to the June 1984 level.

October 23: The Soviet Union proposed:

- that the Warsaw Treaty Organization and NATO conclude a treaty on the non-use of military force;

- not increase but cut down the Soviet and US military budgets beginning in the next fiscal year;

- to freeze the num-



ber of Soviet and American troops, including those stationed abroad, at the January 1, 1986 level;

- that the Soviet Union and the United States pledge not to deploy nuclear weapons in states which have no such weapons on their territory, not to increase their stockpiles and not to substitute new systems for old ones in countries which have such weapons;

- not to develop and produce new types of conventional weapons comparable to mass destruction weapons;

- to rid Europe of chemical weapons.

November 19-21: The Soviet Union proposed an across-the-board package of measures to curb the arms race at the Soviet-US summit in Geneva. The Soviet Union expressed readiness, in the event of agreement to banish weapons from space, to open Soviet laboratories for verification.

December 27: The Soviet Union said that if the US stopped nuclear tests it would agree to complement national technical verification facilities with international control, including on-site inspections.

January 15, 1986: Gorbachev's Statement proposed:

- to rid the Earth in a consistent, step-by-step process of nuclear weapons by the end of

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**To rid the Earth in a consistent, step-by-step process of nuclear weapons by the end of the century.**

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the century;

- to activate the existing negotiating system;

- to eliminate all chemical weapons and their production capacity by the end of the century;

- to negotiate mutual reductions of conventional armaments and forces.

The Soviet Union also extended the unilateral nuclear moratorium by three months and called on the US to join in.

February 25: The Political Report to the 27th CPSU Congress advanced a programme for an all-embracing system of international security.

March 14: The Soviet Union once again extended its moratorium and expressed readiness to accept the proposal of the Delhi Six on assistance in the verification of a nuclear test ban.

March 26: The Soviet Union proposed starting talks with the United States on mutual withdrawal of naval forces from the Mediterranean and making it a zone of stability.

March 29: Gorbachev said he was ready to meet with President Reagan in any European

capital to negotiate a nuclear test ban.

April 18: The Soviet Union proposed radically cutting all components of the ground forces and tactical aviation of the European countries from the Atlantic to the Urals, and the corresponding US and Canadian troops stationed in Europe.

April 22: The Soviet Union proposed working out a convention to banish chemical weapons from the face of Earth by the end of the century.

April 24: We suggested that all interested countries of Asia and the Pacific start a broad exchange of opinions on the issue of developing equitable cooperation in different areas.

May 14: The Soviet Union for a third time extended its moratorium, this time till August 6, 1986.

June 11: Warsaw Treaty members offered NATO a programme for conventional arms and forces reductions in Europe.

July 28: The Soviet Union proposed a package of measures to include the Asia-Pacific region in the general process of creating an all-embracing system of international security;

and to start talks on the scaling down of naval activity, above all nuclear-armed ships, in the Pacific.

The USSR pledged not to increase the number of its nuclear medium-range missiles in Asia, and withdraw six of its regiments from Afghanistan till the end of 1986.

August 18: The Soviet Union extended its moratorium for the fourth time (till January 1, 1987).

August 29: The USSR agreed to inspection to monitor compliance with confidence — and security — building measures (the Stockholm Conference).

October 11-12: At the Soviet-US summit in Reykjavik the Soviet Union proposed:

- to halve strategic offensive weapons of all basing modes within the next five years with a view to eliminating them completely by the end of the century;

- to eliminate Soviet and US medium-range missiles in Europe;

- to freeze missiles with a range of under 1,000 km and immediately start talks on what is to be done with them in the future;

- to immediately begin negotiations on medium-range missiles in the Asian part of the USSR;

- to consolidate the

*Continued on page 8*





## PUTTING WORDS INTO DEEDS

*Colonel-General Nikolai Chervov, Head of Department,  
General Headquarters of the Armed Forces of the USSR.*

**O**n January 15, 1986, Mikhail Gorbachev offered a plan to rid the world of nuclear weapons. Novosti defence analyst V. Morozov has asked Col. Gen. Nikolai Chervov, head of a department of the General Staff of the USSR Armed Forces, to comment on some issues surrounding the Soviet programme for nuclear disarmament.

**QUESTION:** Western news media continue to question the practicability of the Soviet plan to phase out nuclear weapons by the year 2000. Why do you think that is?

**ANSWER:** US and NATO leaders were quite willing to talk about total elimination of nuclear weapons, but when it came to practical measures, they backed away, saying they did not want nuclear arms scrapped and that the modern world could not do without nuclear weapons. They continue to rely on the doctrine of deterrence, which essentially means the more arms, the greater the security. And they act accordingly, arming and arming again.

By contrast, the Soviet Union proposes the total elimination of nuclear arms and other weapons of mass destruction in a stage-by-stage process ending at the turn of the century. And the Soviet Union puts words into deeds.

Its flexible negotiating position at Reykjavik brought the sides close to a historic decision. After all, President Reagan did agree to the total elimination of the Soviet and American nuclear arsenals. He said that given the agreement to phase out all nuclear arms within a ten-year period, the Soviet and American negotiators at Geneva could be instructed to draft a treaty that could be signed during Mikhail Gorbachev's visit to the US.

The Soviet Union has not detonated any nuclear device for 18 months, which also proves that our disarmament programme is realistic. Had the US joined the unilateral Soviet moratorium, it could become a major step toward a nuclear-free world.

Then, there is the Soviet pledge not to be the first to use nuclear weapons. In military terms, it was not easy for us to make that

commitment. But we did. Had the US acted likewise, the situation would have been much better now.

We have also taken other unilateral measures. We have dismantled all medium-range missiles in the Kola Peninsula, removed part of the European-based SS-20s from operational duty and in 1983 frozen SS-20s in Europe, and have not tested anti-satellite weapons for three years now.

The said actions are part of the Soviet disarmament programme. If the US and NATO reciprocated, people would breathe a sigh of relief and the international situation would improve considerably.

Our programme is realistic also because it is specific about time-limits and the amount of arms to be reduced. The Soviet Union and the US have some experience in drafting procedures for destroying nuclear weapons. Provisions are made for national and international verification, including on-site inspection.

The Soviet leadership realises how difficult it would be to dispose of all nuclear weapons. It is equally aware that the situation in the world is growing worse

and more dangerous as the arms race forges ahead. Failing effective measures, the war danger will escalate to a point where things may slip out of control. The only way to remove the nuclear threat is to scrap nuclear arms altogether and ban space weapons.

We are positive that it is indeed possible to get rid of nuclear weapons, and that the Soviet programme will become a reality sooner or later.

**Q.:** What are the ways of destroying nuclear explosives? And can they be used for peaceful purposes?

**A.:** The Soviet plan provides for special procedures to be worked out for the destruction of nuclear weapons and explosives as well as for the dismantling, conversion or scrapping of delivery vehicles. With regard to nuclear explosives, these procedures would apply both to their nuclear and non-nuclear components.

In the process, agreement would be reached on the number of weapons to be scrapped at each stage, and the sites of their destruction. Verification of the destruction or conversion of arms could be carried out both by national technical means and through on-site inspection.



ions, while details could be negotiated by the parties concerned.

Possibly, part of the freed fissionables would be used for civilian purposes after reprocessing.

Q.: How does the Soviet decision to lift its self-imposed test ban fit in with the programme to phase out nuclear weapons before the century is out?

A.: The programme still stands. It underpinned the Soviet Union's Reykjavik package, including balanced and major measures to dispose of strategic offensive arms and medium-range missiles in Europe, to strengthen the ABM Treaty and to end nuclear testing.

It is our political and, if you like, military choice to do everything we can to reverse the nuclear arms race and enter the 21st century without nuclear arms. Backing up words with deeds, the Soviet Union suspended its nuclear testing for 18 months, thus opting out of the arms race the US has imposed on the world. Racing alone, the US carried out some 25 test explosions during that time.

If the US halted testing, the Soviet moratorium would remain in force and the nuclear arms race would cease, which would amount to a major step toward nuclear disarmament. Regrettably, this does not seem about to hap-

pen. Yet the Soviet Union will continue to press as vigorously as before for a comprehensive nuclear test ban and for the total abolition of nuclear weapons by the turn of the century. These will remain Soviet foreign policy priorities in its efforts for a safe and nuclear-free world. We stand ready to reimpose the moratorium if the US decides on halting its own nuclear testing.

Q.: Will you comment on the US administration's daily assertions of its alleged "restraint" in the arms race.

A.: Caspar Weinberger and other US administration officials are being outrageously hypocritical when they start preaching peace, saying that the US exercises "restraint" in its military building effort. That is nowhere near reality. Here are the facts.

In 1986 alone, the strength of the US regular and reserve troops increased by 58,000. More than half the divisions adopted new tanks of the Abrams class, and stocks of arms and equipment for another two divisions were set up in West Germany, with all US armouries there sufficient for six divisions.

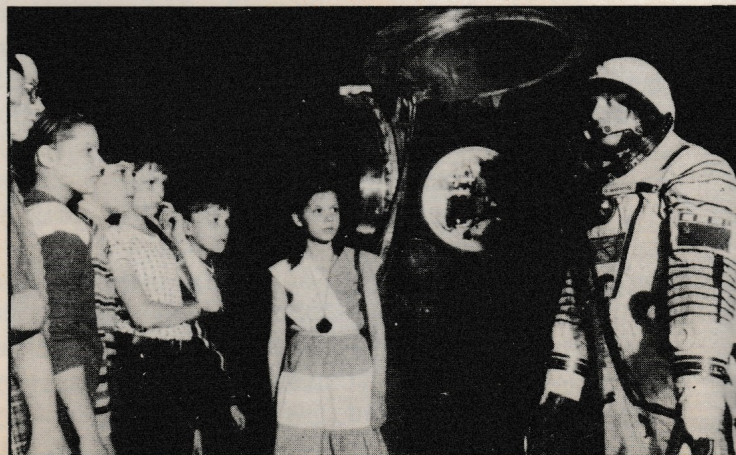
The strategic offensive forces acquired 10 MX ICBMs, which are now the most destabili-

*Continued on page 8*



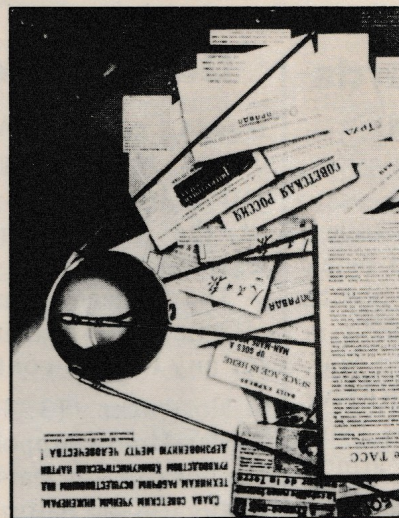
*In 1961 a rocket-carrierlike this orbited the Vostok spaceship which was piloted by Yuri Gagarin, the world's first Cosmonaut. This rocket-carrier has been put up in front of the "Cosmos" pavilion at the Soviet Economic Achievements Exhibition.*

*Moscow schoolchildren at the Cosmonautics Museum.*





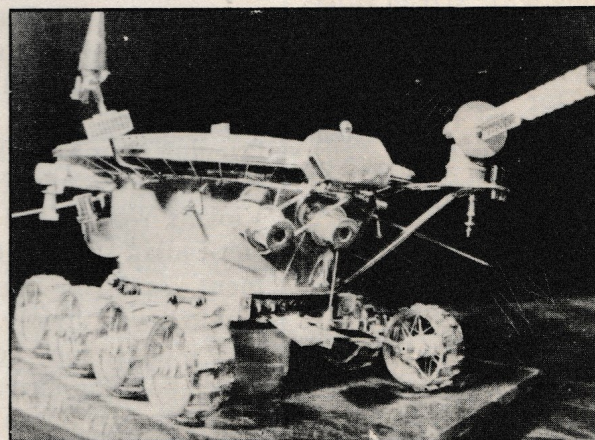
*At the Memorial  
Cosmonautics Museum  
in Moscow.*



*The newspapers which  
reported the launching  
of the world's first  
artificial earth satellite,  
Sputnik.*



*At left, the  
world's first  
Pilot - Cos-  
monaut of  
the USSR,  
Hero of the  
Soviet Union  
Yuri Gagarin  
with Aca-  
demician S.  
Korolyov.*



*Duplicate of a Soviet automatic  
apparatus — Moon Rover which  
worked for about 300 days on the  
moon — exhibited in the Memorial  
Cosmonautics Museum.*



## Putting Words into Deeds

(Continuation)

sing first-strike missiles, the yield of each being equivalent to all bombs and shells exploded in the Second World War. Twenty-three B-1B heavy bombers and one Ohio class submarine armed with Trident-I missiles went into service; 30 B-52 heavy bombers were refitted to carry long-range Cruise missiles; another 112 medium-range missiles had been deployed in Europe, with a total of 364 now in place, including 108 Pershing-IIs.

The Navy acquired a new nuclear-powered aircraft carrier, two guided missiles cruisers and other ships, and a further battleship was taken out of mothballs and refitted to carry Cruise.

Also in 1986 the US repudiated the SALT II agreement and is continuing with SDI in violation of the ABM Treaty, while the projected budget for the next fiscal year is a gargantuan 312 billion dollars, or nearly one billion a day.

Clearly, that is not "restraint" but an untrammelled arms build-up and a hankering after military superiority. ■

## Gorbachev's Peace Assault (Continuation)

regime of the ABM Treaty by pledging to refrain from pulling out of the Treaty for at least ten years.

The Soviet Union reaffirmed its readiness for any form of control.

November 13: The Soviet Union supported the idea of nuclear-free status for the Baltic and Northern Europe and dismantled its medium-range missile launchers on the Kola Peninsula.

The Soviet Union pledged, in the event of agreement on the nuclear-free status of Northern Europe, to rid its Baltic Fleet of ballistic missile submarines, negotiate confidence-building measures in Northern Europe and scale down major military exercises in the region.

November 24: The Soviet Union proposed a package of measures to preclude the commercial production of chemical weapons.

November 27: During Gorbachev's visit to India the sides signed the Delhi Declaration on Principles for a Nuclear-Weapon Free and Non-Violent World. The Soviet-Indian Joint Statement said the Soviet Union was ready to hold talks on confidence-building measures in the Indian Ocean and on fighting terrorism on air and sea lanes.

December 18: The Soviet Union stated that it was ready to conti-

nue with its unilateral moratorium but that it would resume tests after the first US nuclear explosion in 1987.

In his 1987 New Year's address to the Soviet people Mikhail Gorbachev declared that the USSR "is sincerely extending a hand of friendship and cooperation to all those who favour immediate talks on the complete termination of nuclear tests, reduction and total elimination of nuclear weapons, and the development of international relations on the principles of parity and equal security."

In his message to UN Secretary-General Perez de Cuellar, Mikhail Gorbachev reaffirmed the Soviet determination to take practical measures in order to continue the drive for stronger peace and the liberation of the planet from nuclear weapons.

On January 16 the mayor of Hiroshima, Takeshi Araki, received a message from Mikhail Gorbachev, stressing that the USSR wants the moratorium which it imposed on nuclear tests on August 6, 1985, "to become permanent and to be joined by all other nuclear powers." The Soviet leader pointed out that "even if the USSR was forced to resume nuclear explosions, the USSR would be ready to re-

sume the moratorium provided the US adopted the same decision."

In his message to the leaders of Argentina, Greece, India, Mexico, Sweden, and Tanzania on January 19, the General Secretary of the CPSU Central Committee once again confirmed Soviet readiness to consistently and resolutely pursue a line towards disarmament and comprehensive security.

Speaking at the international forum for a nuclear-free world and for the survival of humanity in the Kremlin on February 16, the Soviet Leader observed that although the continuation of nuclear tests by the US side brought the Soviet moratorium to a halt, the latter had shown that it is quite possible to abstain from tests. So, given us goodwill, the USSR is ready to resume its moratorium.

The Soviet leader pointed out that as before the USSR is striving for a nuclear-free world, and favours deep cuts in conventional weapons. He announced Soviet support for the ideas of setting up a nuclear-free corridor in central Europe, and denuclearized zones in the north of Europe, on the Balkans, in the South Pacific, and other regions.

Having reaffirmed the



Soviet commitment to non-militarization of space, Mikhail Gorbachev proposed that the question of prohibiting states from rushing weapons in space over the heads of people in other countries should be raised in the context of international law.

Mikhail Gorbachev emphasized that the Soviet Union "will seek the most rigid system of verifying compliance" of the sides with their obligations. The USSR suggests that verification bodies should be granted the right to inspect foreign military bases. At the same time the Soviet leader noted that the USSR advocates complete elimination of foreign military bases and homecoming of all armies which are deployed abroad. He declared that if normalization was achieved in Afghanistan (that is, if the US, Pakistan and other states discontinue their interference in the home affairs of Afghanistan), the Soviet Union would be ready to withdraw its troops from that country as soon as possible.

The General Secretary of the CPSU Central Committee reaffirmed Soviet readiness "to combat all forms of terrorism", stressing that attempts to uproot this evil with state-sponsored terrorism are inadmissible.

On February 28 Mi-

khail Gorbachev made a statement, stressing that the Soviet leaders decided to "untie" the integral Reykjavik package and to detach from it the problem of Europe-based medium-range missiles so as to sign a relevant agreement without delay. The USSR suggested that all Soviet and US medium-range missiles in Europe be eliminated in the next five years. It agreed to reduce in the same period the warhead total of such missiles in Asian USSR to 100 warheads "on the understanding that the US could leave as many warheads on medium-range missiles on its national territory."

Speaking in Prague on April 10, the Soviet leader announced Soviet readiness for a constructive solution of the problem of short-range missiles. The USSR suggested "starting debates on the question of reducing and subsequently eliminating Europe-based missiles with a range of 500 to 1,000 km, without making it dependent on the course and outcome of the talks on medium-range missiles." He proposed that both sides should take a pledge not to build up their short-range missiles pending the talks.

The General Secretary of the CPSU Central Committee also declared that after the

signing of an agreement on medium-range missiles, the Soviet Union will be prepared to withdraw from Czechoslovakia and the GDR the missiles which it sited there to counter the deployment of American Pershing-25 and Cruise missiles in Western Europe.

The Soviet leader again pointed to the need of most rigid opinion, verification should cover launchers, proving-grounds, missile-producing plants, training centres and military bases at the territory of third countries.

Mikhail Gorbachev declared that the USSR has "discontinued the manufacture of chemical arms", and has "started building a special enterprise for their destruction." The USSR also favours an early elaboration of an international convention on a chemical weapons ban, stressed the Soviet leader in Prague.

Receiving US Secretary of State George Shultz in the Kremlin in April 14, he "expressed readiness to include into an agreement on medium-range missiles a Soviet commitment to eliminate all its short-range missiles in Europe in a relatively short period of time with a fixed deadline". He also stressed the Soviet Union's striving to work for the complete cessation of nuclear tests, and pro-

posed that for the time being the sides should "negotiate a substantial reduction in the yield and number of explosions."

Mikhail Gorbachev suggested working out "key provisions" on strategic offensive armaments, BMD and nuclear tests. In his opinion, "on a par with the conclusion of a treaty on medium-range missiles, they could become a subject for a top-level agreement and a foundation on which the legally binding agreements could be prepared between the USSR and the US." The Soviet leader declared that "to harmonize these key provisions" and "to sign a treaty on medium-range missiles he is ready to meet the President of the United States."

Receiving President Hafiz Al-Assad of the Syrian Arab Republic in the Kremlin on April 24, Mikhail Gorbachev once again confirmed Soviet commitment to the idea of a nuclear-free world. He declared that "destruction of nuclear weapons is the best, the most reliable way of enhancing defence" of all countries. He also noted that "the edifice of peace in the nuclear age cannot be solid even if just part of it is left outside the security system." ■



## Our Economy

# SOVIET ECONOMIC DEVELOPMENT STRATEGY



*Academician Abel Aganbegyan, Director of the Institute of Economics and Organization of Industrial Production, Siberian Department, the Academy of Sciences of the USSR.*

**T**he kingpin of today's Soviet economic strategy is acceleration of the development of the national economy. In the article below, the well-known Soviet economist, Academician Abel Aganbegyan, speaks about some of the problems along that way.

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"In the 70s and early 80s there was a noticeable decline in the rates of production and labour productivity growth in the USSR, accompanied by a drop in some efficiency characteristics and in the rates of scientific and technological progress. It became clear that partial reforms could no longer amend the situation and that radical measures were needed.

The 27th Congress of the CPSU projected a radical turn from the extensive to intensive work methods for reviving the country's socio-economic development.

The prime mover in the modernization of the economy and in the intensification of production should be scientific and technological

progress. Academician Aganbegyan points out that the stake is being placed on revolutionary technologies which can boost labour efficiency several times over, and on the transition to fundamentally new generations of machines and equipment, including the replacement of individual machines with comprehensive systems of new-generation equipment.

Why has the priority been given to machine building? Answering this question, the Soviet scholar points out that only with an advanced machine-building industry, including electronics and instrument-making, can the advances of science and technology materialize in production. That is why the growth of investments into machine building which was less than 30 per cent in the previous five-year development period will be as high as 80 per cent in this quinquennium. The industry will receive an unheard-of sum of 63 billion rubles for these five years. By 1990 the technical base of machine-building should be

almost 60 per cent new.

But why does the radical reform of the economic management system go not so fast as we would like it to?

Academician Aganbegyan explains: "The main idea about that radical reform is the transition from the predominantly administrative to economic management methods. The most important thing here is changing in a radical way the whole interdependent economic triad which includes materials, finances and prices."

But all this needs time. Experience shows that the price reform alone will take at least two years of preparations. The new price-formation mechanism must stimulate saving measures and higher efficiency instead of higher production costs or the growth of gross output without any improvements in product quality. So far, Academician Aganbegyan admitted, prices stimulate mostly higher production costs.

In addition to the price reform, it is essential to replace the sys-

tem of centralized distribution of production means with their wholesale trade and direct links among enterprises.

Another important aspect of the reform is the transition of enterprises to self-financing on which great hopes are being pegged.

"If that system is used properly as it was done, for example, at the VAZ car factory or at the Sumy machine-building association, it can produce tangible results," says the Academician. "For example, over a single year of the experiment the rates of production growth in Sumy averaged 14 per cent and profits went up by 32 per cent. Due to that the association accumulated sizable resources for the modernization of production and improvement of product quality, and for the settlement of various social problems.

*Continued on page 16*



# SIBERIA ON THE MOVE TOWARDS THIRD MILLENNIUM

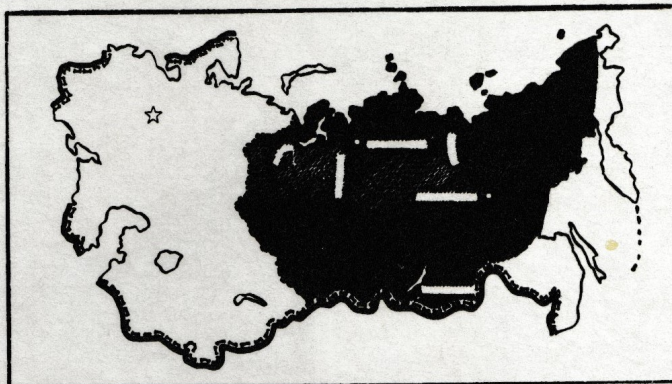
**A**cademician Andrei Trofimuk is director of the Institute of Geology and Geophysics with the Siberian Division of the USSR Academy of Sciences. His name is closely associated with a number of major geological discoveries, including the West Siberian oil and gas province which has now become the main fuel and energy centre of the Soviet Union.

At the same time, as Vice-Chairman of the Siberian Division, Andrei Trofimuk supervises the "Siberia" comprehensive development programme.

**QUESTION:** What is the principal objective of the "Siberia" programme?

**ANSWER:** To put it briefly, the task of this programme is to secure a solid scientific foundation for and render active practical assistance to the effective development of Siberia's natural resources, and to step up the rates of growth of its productive forces. The programme will help compensate the huge expenses necessitated by the remoteness of the new industrial centres from the old ones, by the severity of the local climate and by the need to set up a more powerful and extensive infrastructure than any-

**Siberia has an area of almost 10 million square kilometers. Two thirds of its territories lie in the permafrost zone.**



*Map of Siberia.*

where else.

**Q:** For how long is the programme scheduled?

**A:** For several five-year plans. Some of its provisions have been included in the Guidelines for Economic and Social Development of the USSR for 1986-1990 and for the Period Ending the year 2000.

**Q:** Can you evaluate the economic effect of the programme?

**A.:** With the expenses set at 600 million rubles for this five-year term, the economic effect is expected to total 15 billion rubles.

**Q:** Why did you have to work out a special programme for Siberia when that region is developing anyway as part of the integrated national economic complex?

**A.:** The programme helps integrate the inte-

rests of various industries and sectors in a specific region and tackle its economic tasks as national priorities.

The need for an in-depth study of the problems and for a link-up of all the tasks involved is dictated both by the scope of development of Siberia and by its specific conditions. Siberia has an area of almost 10 million square kilometres. Two-thirds of its territories lie in the permafrost zone. Many areas have a high seismicity index. A number of major mineral deposits require unique development technologies like, say the ores containing aluminium and potassium together. They have no analogues in the world.

Besides, in the nationwide division of labour

Siberia is not only a major producer and supplier of fuel, energy and mineral resources, non-ferrous metals and timber. The diversity of its natural resources and the really vast stocks of many minerals make it possible to set up large industrial centres and territorial production complexes there, incorporating energy-intensive enterprises. Comprehensive approach in tackling major national economic projects is becoming a general rule in the USSR.

The 27th Congress of the CPSU set an urgent task of allround acceleration of scientific and technological progress and intensification of social production and major national economic programmes on that basis. For the eastern regions of the USSR this acceleration and intensification problem is particularly relevant, since the economic potential of Siberia must grow at substantially higher rates than the average national figures. According to economists, the rates of production growth in Siberia must be 1.2 to 1.3 times faster, whereas redistribution of manpower resources in Siberia is hard to achieve for

*Continued on page 14*





*Rita Nalganova,  
soloist of the national  
ensemble called "The  
Sun".*

*Siberian taiga.*

*Lake Baikal.*

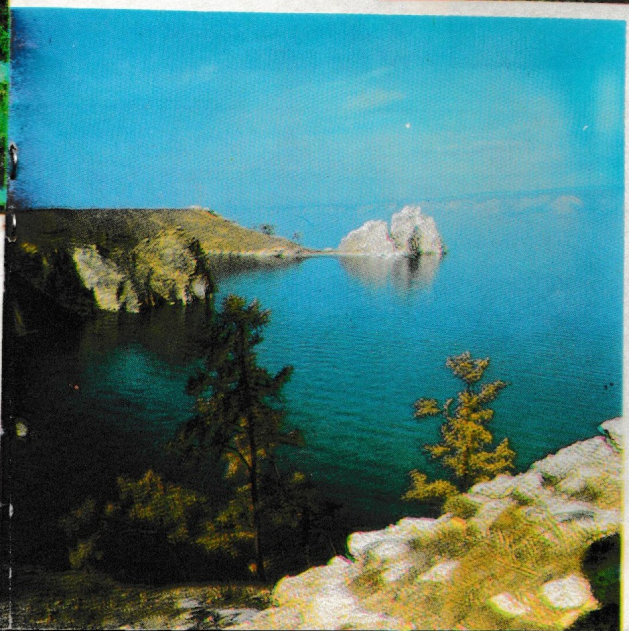




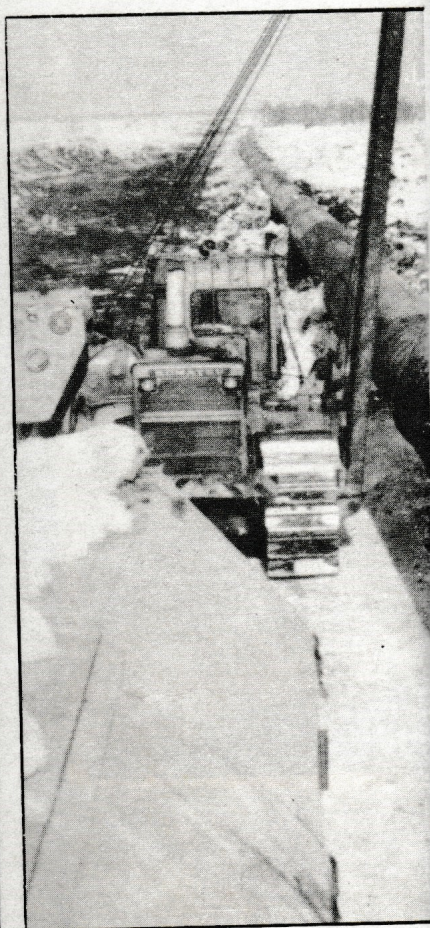
*Vladimir Lukin, captain  
of the Surgut motor  
ship.*

***Sayano-Shushenskaya  
Hydro under construction.***

*(Right) besides the  
railroad and townships  
along it, the Baikal-  
Amur Railway includes  
motorways and power  
transmission lines  
like this one. The  
infrastructure of new  
industries is being set  
up here in the heart of  
taiga.*







*Gas pipe-line under construction in the Tyumen Region, Western Siberia.*

*The river port of Lesosibirsk.*

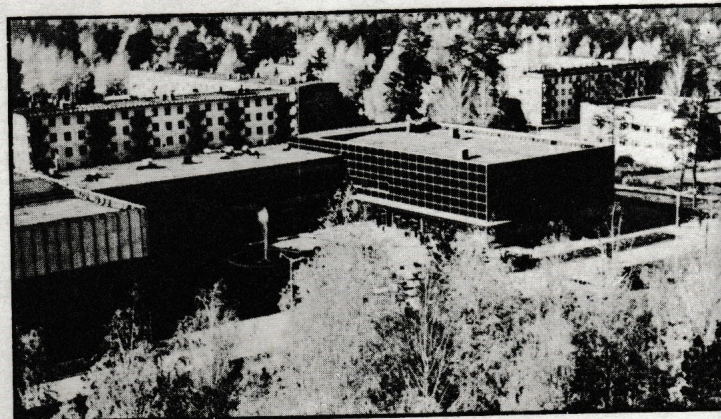
*The Academic Township, the Siberian Department, the Academy of Sciences of the USSR.*

several reasons. That is why broader research, faster introduction of the latest advances of science and technology into the economy and close integration with production must become the principal motive force in the development of the region. It can be said that "Siberia" is a

programme of an intensive type.

Q.: What is the status of the programme and who is going to bring it into effect?

A.: It has the status of a long-term national regional programme. More than 400 organizations and 60 Union and republican ministries are



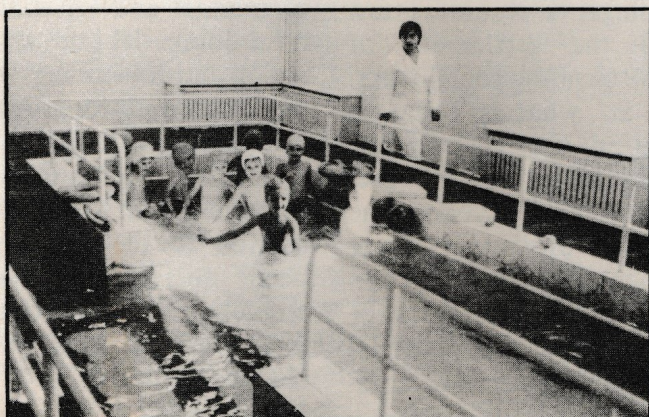




*Coal production in the Neryungri coal basin, Yakutia.*



*Swimming pool at a kindergarten in the city of Irkutsk.*



already working within its framework.

As it is, all the scientific forces of Siberia are involved in forecasting and projecting the ways of scientific and technological progress in the development of the country's eastern regions. This development is characterised by high

concentration of investments, which helps tackle momentous economic tasks. This includes the establishment of the West Siberian oil-and-gas and the Kansk-Achinsk fuel and energy complexes, of the multisectoral territorial

*Continued on page 18*



## Soviet Economic Development Strategy (Continuation)

One may be reminded in this connection that in 1987 all enterprises of five industrial ministries, a number of large enterprises and associations in other sectors, and also the Ministry of Merchant Marine and Trade will undergo the conversion to self-financing, while from 1988 self-financing will apparently become the predominant principle in the national economy.

Another aspect of reorganization provides for broader self-sufficiency for all enterprises. Their rights and responsibilities will be clearly stipulated in the new Law on Enterprises which is at the drafting stage. This will involve a major redistribution of rights from various organs of industrial ministries to production works and associations. Academician Aganbegian says so far that redistribution goes very slowly: the people at the shopfloor level and the upper echelons of management are actively campaigning for the proposed reorganizations, but the intermediate ministerial link is resisting that trend.

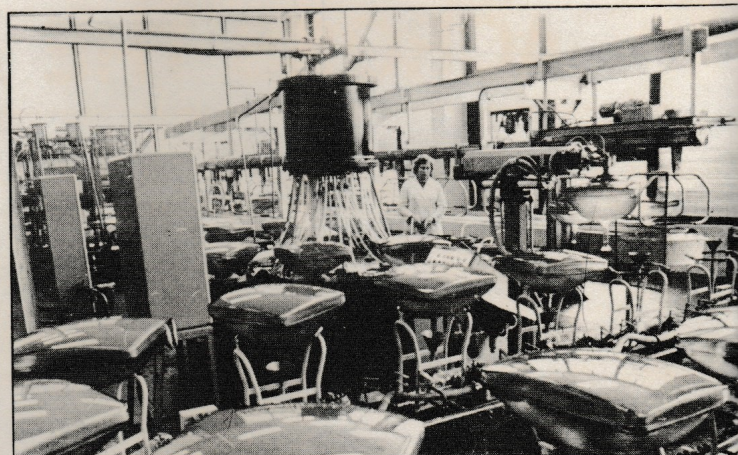
The Soviet Academician draws the following analogy in this connection:

"Take a person who is learning to swim. Even if nobody interferes with his attempts, it is

still a difficult task. In the same way, our economic system today must gain a firm footing in the sea of economic methods and learn to operate new levers and incentives. This is difficult in itself, for we've had practically no experience of this sort. However, it is still more difficult when the 'swimmer' has others grabbing at his legs and arms or even openly trying to 'drown' him in order to get the intention to learn swimming out of his head. Such 'methods' certainly complicate the course of the ongoing reorganization."

Even so, A. Aganbegian notes, there is certain progress in that work. Without waiting for general strategic directives, the ruling Soviet bodies are trying to expand step by step the economic independence and responsibility of enterprises. In particular, last summer 70 associations and large enterprises from various ministries were entitled to deal independently on the foreign market. Besides, they are now allowed to establish direct links with enterprises in other socialist countries.

Besides, in the new Soviet economic strategy great importance is assigned to the activation of the human factor. Crucial advances in science and technology



*In the photo: the plant "Ekranas" in the town of Panevezys (Lithuanian SSR). Automatic machines work in many sections of the plant. The worker has only to watch the normal operation of technology.*

can only be brought into effect if we have workers capable of handling new equipment in a competent and effective manner. That is why education and advanced training of all categories of people engaged in the national economy acquires primary significance now.

The principal meaning of all changes in the country, the Academician points out, centres on man, and the concept of acceleration implies, among other things, a resolute turn to the settlement of the pending social tasks.

So what is going to be done in that sense? Compared to the previous five years the USSR projects a higher than 100 per cent increase in the rates of growth of the national food production complex and services and a

50 per cent increase in the production of consumer goods. Major growth is planned in the construction of housing, child-care centres, schools, hospitals and polyclinics and cultural facilities. Medics are developing a cardinaly improved programme of health care. Serious improvements are expected in the national pension scheme on the basis of a new law which is being drafted right now. There will be dramatic reductions in the volume of manual and especially arduous labour and major improvements in working conditions. Acceleration of the country's socio-economic development and closer attention to the people's needs are an inseparable whole, Academician Aganbegian said in conclusion. ■



# A TRADE BRIDGE ACROSS THE AMUR

One of the major distinctions of Soviet shops in the Far East is growing volume of merchandise with the trademark "Made in China". In 1986 the volume of border trade between the USSR and the People's Republic of China exceeded 30 million rubles or quadrupled compared to the 1983 level. On the Soviet side this trade is handled by the foreign-trade association "Dalintorg".

"Dalintorg", said the general director of that association, Valery Lozovoy, who received us at his headquarters in Nakhodka, "supplies to the Chinese market goods from our Khabarovsk and Maritime Territories, the Amur, Chita and Irkutsk regions, Yakutia, Buryatia and the Sakhalin, or from the regions belonging to the Soviet Far East and partially to Siberia.

The meaning of border trade is in ensuring the complementarity of both domestic markets. This enables the Soviet Far East to reduce the deliveries of similar products from western regions of the USSR and thus make considerable savings on transportation costs.

The advantages of such neighbourly exchanges are not confined to the purely economic effect. The diversity of Chinese goods on shop counters improves the supply of the people in the Soviet Far East with consumer products.

Our partners likewise find this business useful and profitable, which is confirmed by the Chinese weekly "Liaowang": "The expansion and further growth of border trade between the PRC and the USSR strengthens the good-neighbourly relations between our two countries and promotes a fuller satisfaction of the materials requirements of the working masses and economic development of the region. Chinese-Soviet border trade has broad prospects".

So the general opinion is that this trade has a fairly promising future and that it has passed the stage of initial probings and has gained good momentum.

QUESTION: What goods are being traded in?

ANSWER: The flow of goods from the USSR to China includes cement, glass, fertilizers, various locally-produced goods, refrigerators, vacuum cleaners, photo cameras and also cars, motorcycles and

motor-bikes. In return we get various foodstuffs (frozen meat, canned food, sausages, fruits), textiles, knitwear, sports shoes and domestic articles. Among the items which enjoy special popularity with Soviet consumers are the famous Chinese Thermos flasks.

We think that this list can be expanded on both sides.

QUESTION: How is this trade handled in practice?

ANSWER: It is handled through special border crossing points. Besides, we have signed documents on mutual goods deliveries by inland water transport through Blagoveshchensk (USSR) and Hei Ho (China) on the River Amur.

This is how we visualize this new form of our trade organization: trading companies across each other. Each has an office, a warehouse and a display of merchandise. Neighbours coming from the other bank select goods and immediately sign a contract. The goods are loaded onto a ship and within an hour they are on the customer's bank. This is how it had once been. So why not borrow the best from the old experience?

I think that it would be appropriate to cite the following Chinese proverb here: "Friendship begins with boat trips and then a bridge is built."

QUESTION: Are you planning any other forms of contacts between the two banks?

ANSWER: What we have in mind is not only trade in goods but also broad transborder cooperation. This may include industrial cooperation, compensation deals, the construction of joint enterprises and so on.

These questions were discussed during the official visit to China last autumn by the Alternate Member of the Politburo of the CPSU Central Committee, First Vice-Chairman of the USSR Council of Ministers Nikolai Talyzin. Both sides have confirmed their interest in the development of mutual trade and economic relations. Suffice it to say that the two countries have passed a decision on additional mutual goods deliveries in 1986-1990 worth half a billion rubles, which will be a substantial addition equivalent to the entire mutual trade turnover in 1983. Border trade is an integral part of these long-term plans. ■



## **Siberia on the Move ... (Continuation)**

production complexes in the zone of the newly commissioned Baikal-Amur Railway, and, eventually, of the Upper Lena territorial production complex. For each of them scientists have analyzed the conditions and prospects with due regard for the sectoral, intersectoral and common national interests.

**Q.:** Could you make at least a brief assessment of the natural reserves of Siberia?

**A.:** One can find practically all the elements from the Mendeleev periodic table in Siberia. It accounts for almost three quarters of the explored mineral fuel and energy resources of the USSR and, notably, for 50 per cent of the global coal reserves. There are also diamonds and gold, ferrous and copper ores, nickel and lots of other minerals. The forests of the region make up a fifth of the planet's wood stock. There are more than 50,000 rivers in Siberia, too, of which just two, the Yenisei and the Lena, have a larger energy potential than all the rivers of the USA combined.

**Q.:** As we all know, the No. 1 problem for many developing countries is fuel and energy reserves. Global energy consumption doubles every 15 years. In the meantime, the energy potential is a decisive factor in the develop-

ment of social production. In fact, there is a direct relationship between energy consumption and per capita national income. How do you evaluate the current contribution by Siberia to the Energy Programme of the USSR and how will it stand at the turn of the new millennium?

**A.:** In the general Soviet pattern Siberia accounts for more than 85 per cent of all energy resources: coal, oil, gas and hydraulic energy reserves. By the end of this century, Siberia and the Far East are to meet more than 70 per cent of the national fuel demand and 25 per cent of the power demand.

There are no analogues in world economics to the rates of development of the West Siberian oil and gas province. Over the past three five-year development periods, annual production there has soared from 1 to more than 300 million tons. Just think that this was done in a land of boundless taiga which turns into tundra in the north, and of innumerable lakes and rivers. The work involved the development of dozens of new oil and gas fields and the construction of thousands of kilometres of trunk pipelines, new roads and power transmission lines. Today,

Western Siberia ensures more than 50 per cent of the national output of oil, condensate and gas and will retain this role of the principal fuel supplier at least until the end of this century. And then there is also Eastern Siberia which is on the threshold of new discoveries and at the initial stage of development.

The main oil-producing area in the USSR is the Tyumen region of Western Siberia. More than 200 hydrocarbon deposits have been discovered there so far, of which more than 50 per cent are oil deposits.

It should be specially noted here that we have just approved a new co-ordinated subprogramme called "West Siberian Oil and Gas Complex", which provides for the accomplishment of that triune task: further growth in the production of hydrocarbons, nature conservation and balanced development of the region, including the construction of new cities and of the "second floor" of the economy which means energy-intensive works in manufacturing industries.

To speed up the work, this subprogramme for the first time sets concrete directions for geological investigations and, consequently, for the preparation of raw materials, too. This is

because parallel with the Cretaceous stratum which is 100 to 185 million years old and which is responsible for the present frame of Western Siberia, we also have to deal in advance with the lower, Jurassic stratum, which calls for great capital outlays. Finally, it has been ascertained recently that the Paleozoic strata, which are 300 million years old and even older and which serve as a kind of a foundation under the oil-bearing province, contain sizable reserves of oil, too. It can already be stated with certainty that strata at depths between 2,500 and 5,000 metres contain appreciable hydrocarbon reserves.

In particular, in the Khanty-Mansi dome of the West Siberian flatlands geologists have indeed found deposits of an unusual form resembling prehistoric river beds. The exploration of one of such beds has confirmed the presence of high-productive deposits of a new type. These investigations have also confirmed the forecasts concerning the oldest irregularities in the foundation — the so-called rift zones, where high-productive oil and gas fields were predicted. Together with the Paleozoic provinces these two directions have been acknowledged as the principal ones. ■



# Moscow in the Evening

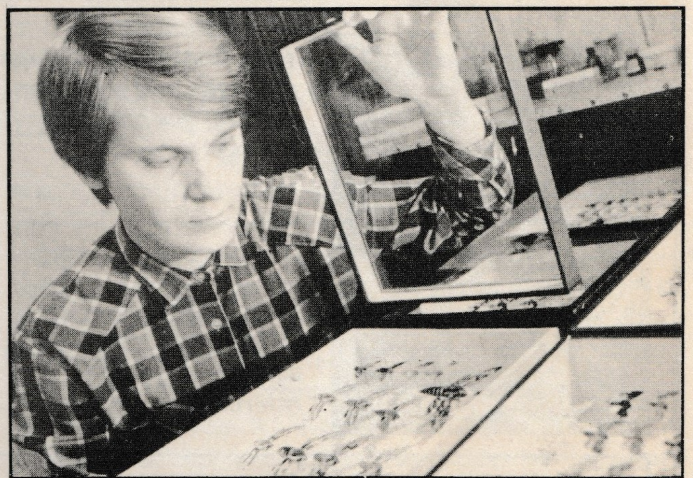


*The working day is over and everyone has his own way of spending his leisure hours.*

*Some people hurry to their homes to indulge in their domestic hobbies, others choose to visit the capital's theatres concert halls cafes or other public entertainment centres.*



*The discotheque of the "At the Fountain" cafe in the Olympic Village south-west suburb of Moscow.*

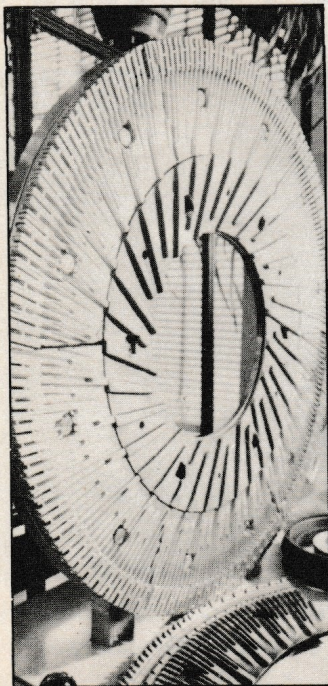


*Igor Kuznetsov, a worker of one of Moscow's industrial establishments with his collection of butterflies grown of caterpillars picked up by the collector. The collection is substantiated by detailed description of every butterfly also specifying where and when the caterpillar was found.*

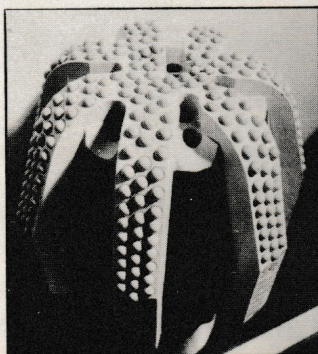
*Irina Solomatina and Alexander Melnikov members of the ball dance circle of the "Hammer and Sickle" Metallurgical Works' Palace of Culture, at a ball dance contest.*



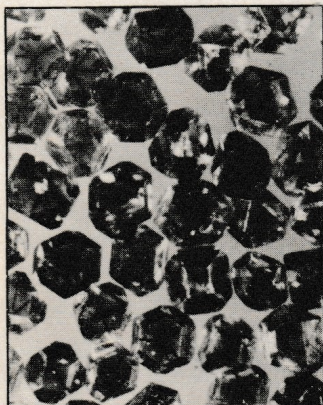
## Sci-Tech News



*A diamond-studded knife for reducing fiber materials to fragments in the production of paper, chipboards and cardboard. This knife lasts 20 to 30 times longer than those used earlier.*



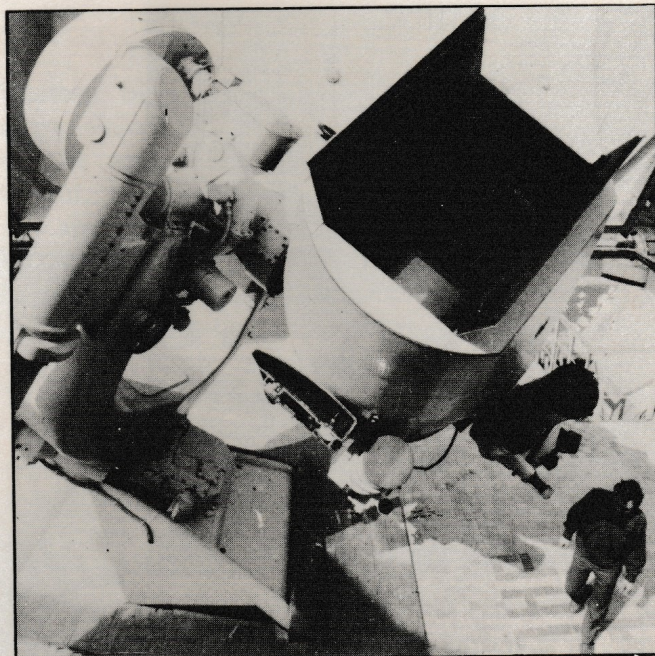
*A bit made of slavutich (an ultra-high-strength material) for drilling gas and oil holes.*



*Synthetic diamonds as seen through a microscope.*

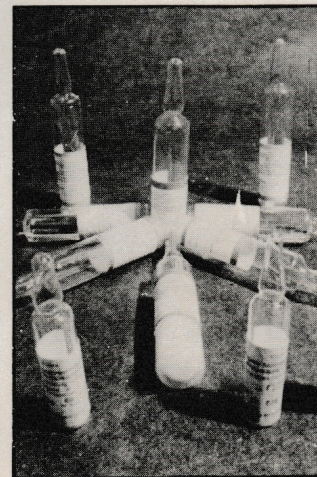
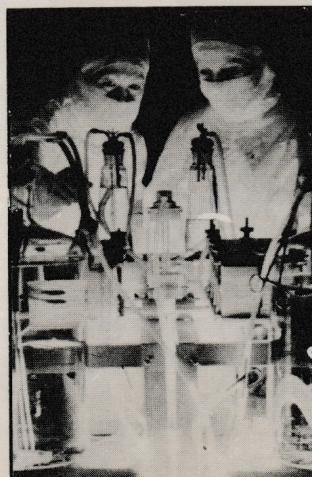


*These small boats purify the coastal water at the Black Sea port of Batumi.*



*This camera for taking photos of artificial Earth satellites (sputniks) weighs 25 tonnes.*

*As of the ninth form at the ten-year general educational secondary schools the pupils start the "fundamentals of informatics and computers". They learn how to compile programmes and operate computers.*





# JOINT VENTURES IN USSR



*Vladimir Kamentsev, Deputy Chairman of the Council of Ministers of the USSR and Chairman of the State Foreign Economic Commission.*

**I**nterview with V. Kamentsev, Soviet Deputy Premier and Head of the State Foreign Economics Commission of the USSR Council of Ministers.

**QUESTION:** Why did the USSR choose joint ventures as a way to collaborate? Is it a new policy or just an extension of Lenin's idea about industrial concessions?

**ANSWER:** As part of its drive to avail itself of the benefits of international division of labour, the Soviet Union is trying to be involved not only in world trade but also in internationally sponsored production facilities. Joint ventures are one way to do so. They are also part of our continued bid to collaborate in mutually acceptable forms with countries and companies really interested in such cooperation. But joint ventures allowed recently in this country are certainly different from industrial concessions of the 1920s.

**QUESTION:** What goals will the Soviet Union pursue by setting up joint ventures with foreign concerns?

**ANSWER:** Our objective is to encourage an inflow of advanced technology, managerial ex-

perience and extra means. We are prepared to share technical and commercial risks with our partners. We will be consistent in applying the principles of self-support and self-financing in our foreign economic links.

**QUESTION:** What can the USSR's foreign partners count on while cooperating with the Soviet Union along these lines?

**ANSWER:** They can count on business opportunities and guarantees in exchange for their reciprocal commitments, as they can elsewhere. In the Soviet Union, a foreign partner is guaranteed protection of his property, including intellectual property, repatriation of profit, involvement in decision making, access to the Soviet market, and consideration of disputable issues by a court of law or arbitration in line with the established procedure. A joint venture is granted considerable economic autonomy and is not bound by state economic plans. But it must abide by the laws of the country. We also expect joint ventures to operate not only with an eye on the local market, which would be to substitute

our current imports, but also to export their produce so as to balance their foreign exchange deals.

**QUESTION:** Some in the West say that Soviet plans to encourage joint ventures are doomed, because in several socialist countries which have so far had experience of that kind of joint enterprises covered activity only in auxiliary sectors. Will not this happen in the Soviet Union also?

**ANSWER:** We will see. Our indisputable assets are vast resources, a spacious market and skilled manpower. That explains why we have got more than 100 joint-venture proposals from foreign concerns. At the same time, we do not think this form of co-operation should edge out all others. It is but one way to cooperate.

**QUESTION:** Has the drive for launching joint ventures anything to do with Soviet interest in joining GATT and the International Monetary Fund?

**ANSWER:** Yes, it has, inasmuch as the planned joint ventures in the USSR will be able to

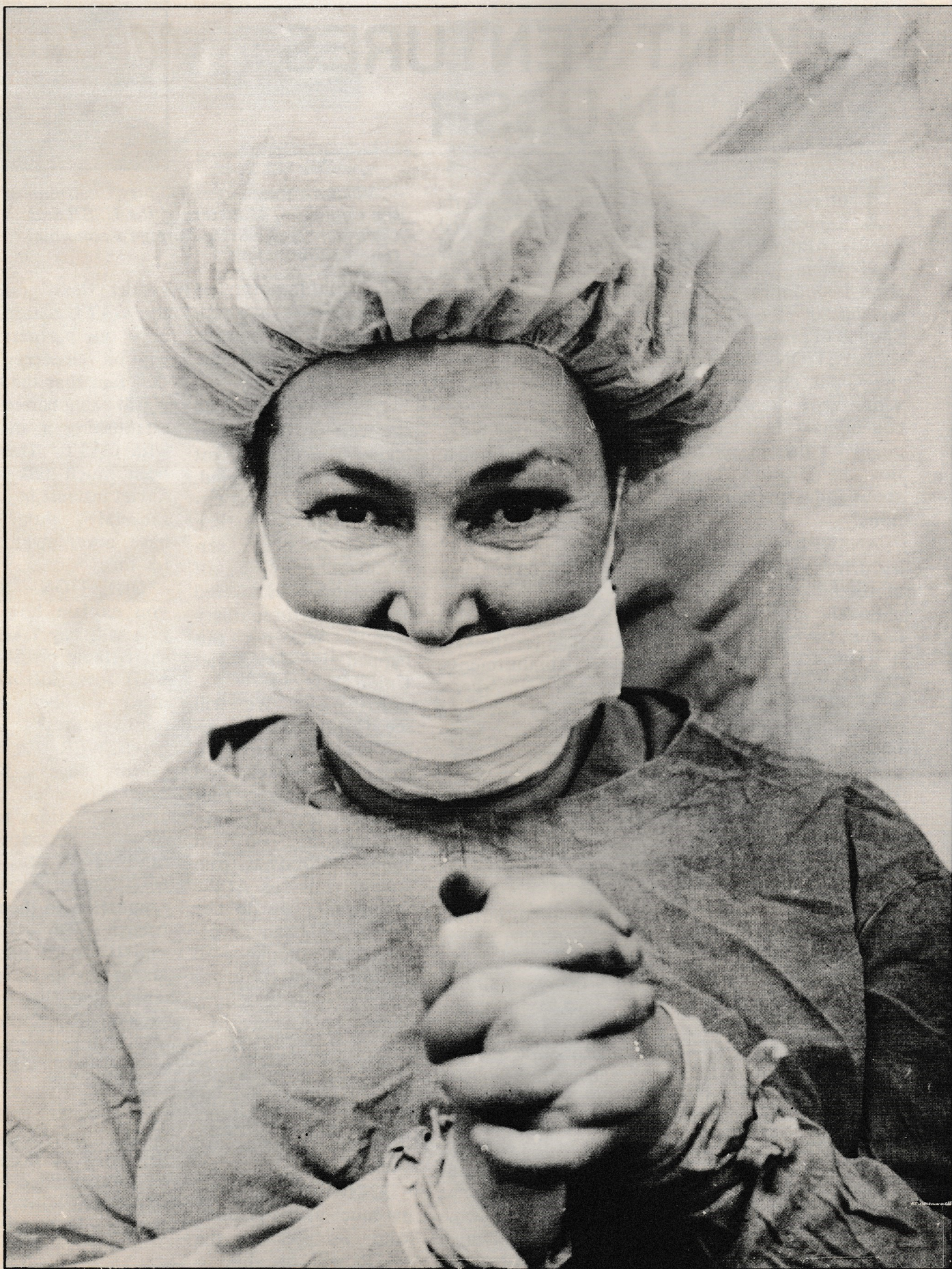
export their goods to the GATT nations. We hope our partners, too, will be concerned over that fact that the USSR is still being barred from establishing a dialogue with GATT. There has been much talk about Soviet interest in joining the IMF, though we have never given cause for this.

**QUESTION:** Could you explain how partners will pay taxes and share their profits, and what forms of management will be used at joint ventures?

**ANSWER:** A joint venture pays a 30-per cent tax on net profit after deductions for reserve and development funds. The rest is divided between partners in proportion to their contributions to statutory capital. A 20 per cent tax is levied on profit repatriated in foreign exchange. A joint enterprise can claim tax incentives which will depend on its technical and financial policies. Similar incentives are stipulated by tax agreements concluded by the USSR with several foreign countries. ■



*Professor Eleonora Yegorova performs up  
to four surgical operations a day. Here she is  
after an operation.*





# Medicine

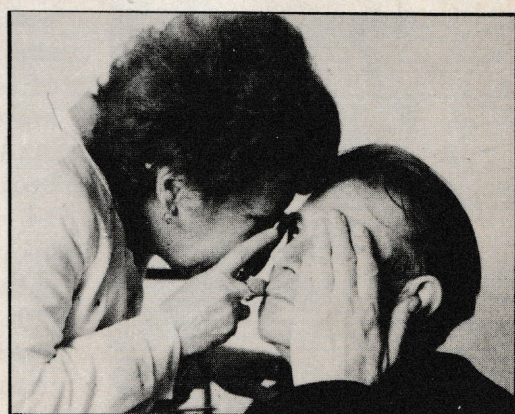
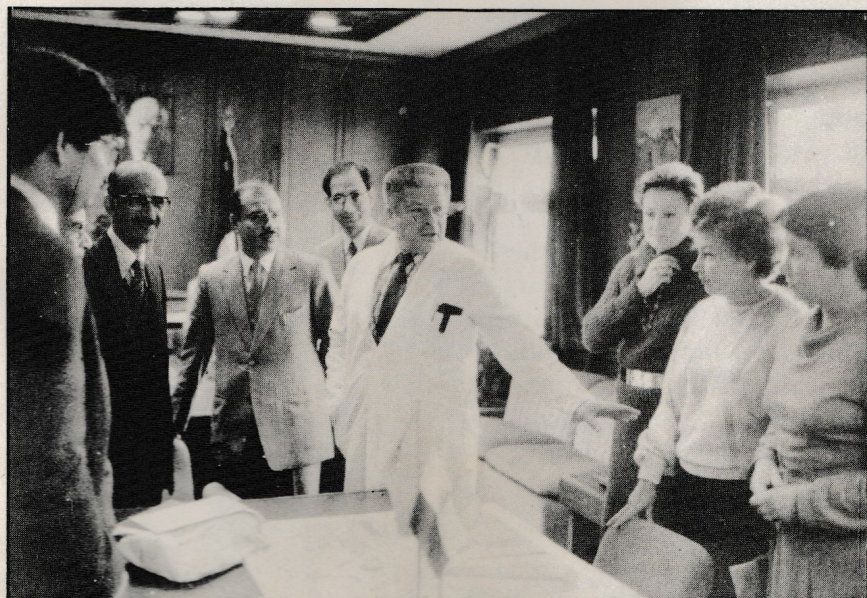
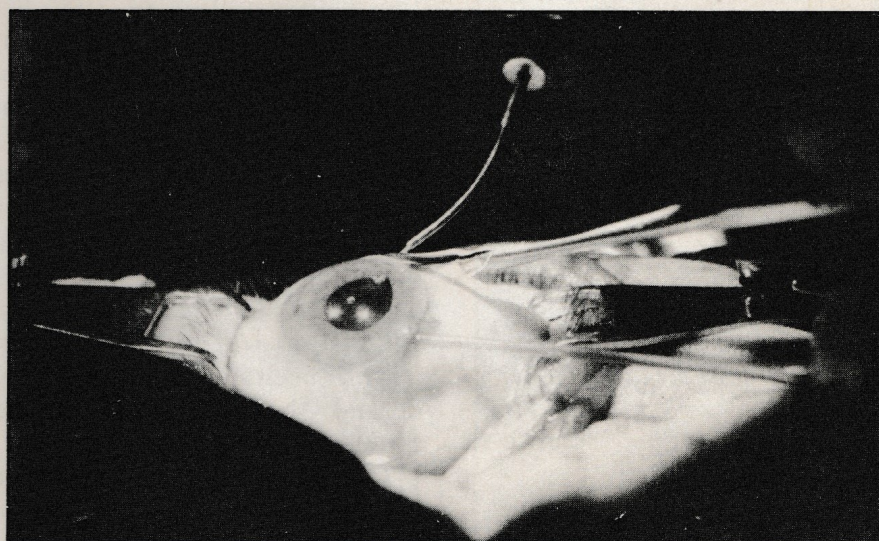
(Center Photo)

Experiments in microsurgery of the eye go on. Professor Eleonora Yegorova substitutes natural crystalline with artificial silicon lens to study the reaction of the eye tissue to an alien body.

Professor Svyatoslav Fyodorov, Director of the Research Institute of Microsurgery of the Eye, was Eleonora Yegorova's teacher. "I was his best but difficult student," she says. "He changed my whole life. Professor Fyodorov is a great man of natural gifts. There is nobody of his calibre in the world—in our sphere. He is 25 years ahead of developments. The high rate of his work, and exactingness towards himself and his workmates are combined with colossal love for life in him."

Professor Svyatoslav Fyodorov (centre) introduces Professor Eleonora Yegorova to Indian ophthalmologists visiting the Research Institute.

Professor Eleonora Yegorova, a disciple of Professor Svyatoslav Fyodorov, a famous Soviet ophthalmologist with whom she has worked for 18 years. The Soviet Union's only winner of the gold medal of the World Intellectual Property Organization, she has been appointed Director of the Helmholtz State Research Institute of Eye Diseases in Moscow — a leading ophthalmological centre in the Soviet Union.



Professor Eleonora Yegorova consulting patients.



## YURI POLIVANOV'S COLLECTION

It consists of wooden and clay toys. Yuri Polivanov, an artist employed by the Malysk Children's Publishing House in Moscow, has been collecting toys for many years now. His home museum filled his flat with all kinds of dolls and toy animals from many countries. Yuri Polivanov likes to show his collection to all of his friends, acquaintances, and children from neighbouring schools. The exhibits were made in Archangelsk, Gorodets, Kostroma and other places in Russia, famous for their toys, as well as in Japan, Latin America, Europe and Africa.

The ball was set rolling when somebody gave him a traditional Matryoshka (a nest-doll). His collection grew when he went on business trips in the Soviet Union and to other countries. Years have passed, and Yuri Polivanov has been spending less time on such trips now, but the collection keeps growing, his friends and acquaintances bringing interesting toys for his museum.



# RISING STAR

**V**ery few players in the world are making such rapid progress as 20-year-old Muscovite Andrei Chesnokov. He moved 110 places upward in the world tennis rankings (from 136th to 36th in a year. Competing in the French Open in 1986, he defeated Swede Mats Wilander, one of the world's best players, and qualified for the quarter-finals of that major competition.

Last year he also beat another Swede, world number 11 Mikael Pernfors in the US Open and reached the fourth round. But the main sensation of 1986 was his win over Boris Becker from the FRG, twice Wimbledon champion and the world's second racket in 1986. Chesnokov defeated him in a prestigious under-21 event in Stuttgart, West Germany. It was Becker's first home defeat in more than two years.

Andrei has won two national titles in singles. Experts say there has not been such a talented player and obvious leader in Soviet tennis since Alexander Metreveli.

Chesnokov took up tennis at the age of six when he caught the eye of Tatyana Naumko who was beginning her coaching career and was recruiting first-formers of Moscow schools to her training group. Naumko is still coaching him. At the age of 10 Andrei became champion of Moscow, at 14 — champion of the USSR in his age group, and then won the national title among the 16-year-olds. A year later he made quite a sensation by winning the adult championship of Moscow. Among the other young talents Chesnokov was given a chance of testing his strength in various international competitions which helped him improve.

Tennis experts and buffs note

the excellent physique of the young athlete (height 188 cm and weight 76 kg), his powerful spins with both hands, and high speed about the court. His counterplay meets the top standards but his service and play at the net need improving.

Andrei possesses a high fighting spirit. The coaches single out the rare combination of even-headedness and an ability to psyche himself up.



*What other variants, eh?*





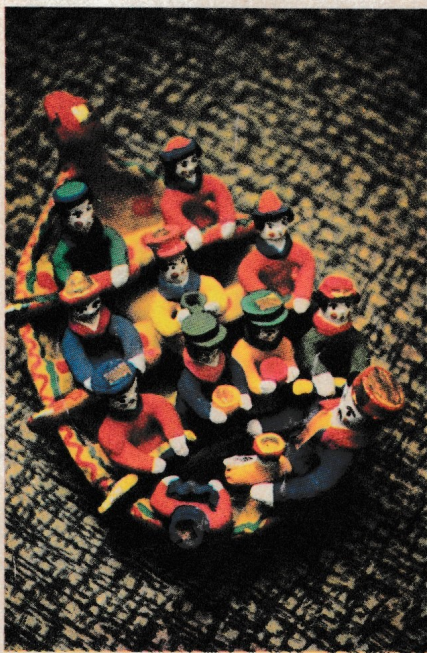
## Sports

*It was only last year that Andrei Chesnokov, the Soviet Union's best tennis player, joined the elite of world tennis. He plays with both hands, and sends the ball spinning.*

*Young tennis players asking their idol for an autograph.*







*Yuri Polivanov's  
Collection.*

